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9 **UNITED STATES BANKRUPTCY COURT**
10 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**

11 San Francisco Division

12 In re

13 PG&E CORPORATION

14 - and -

15 PACIFIC GAS & ELECTRIC
16 COMPANY

17 Reorganized Debtors

18 ☐ Affects PG&E Corporation
19 ☐ Affects Pacific Gas and Electric Company
20 ☒ Affects both Debtors

* All papers shall be filed in the Lead Case, No.
19-30088 (DM).

Case No. 19-30088
(jointly administered)

Chapter 11

21
22 **DECLARATION OF MICHAEL ST. JAMES IN SUPPORT OF**
23 **MOTION FOR RELIEF FROM DEFAULT ORDER**

24 **(Default Order; Dkt #11829; Sustaining Objection to Claim No. 58462; Dkt # 11388)**
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1 I, Michael St. James, declare under penalty of perjury:

2 1. I am an attorney at law, licensed by and in good standing with the Bar of this State, and
3 admitted to practice before this Court. I am the sole full-time employee of St. James Law, P.C.,
4 bankruptcy counsel for Spiro Jannings (“Spiro”) with respect to the Objection to his Claim No. 58462
5 filed by PG&E (the “Objection”); Dkt #11388. I make this Declaration of my own personal
6 knowledge, and if called as a witness, I could and would competently testify as follows:

7 2. In late October 2021, shortly before the Objection response deadline, Mr. Furstman
8 contacted me to ask if I would act as bankruptcy counsel for Spiro. I reviewed the Objection and
9 responded that I was willing to act solely as Spiro's bankruptcy counsel and was unwilling to address
10 any substantive issues of otherwise applicable law. Mr. Furstman indicated that he was comfortable
11 handling all of the substantive issues associated with Spiro's claim.

12 3. We agreed that there was inadequate time intelligently to respond to the Objection before
13 the deadline, and I offered to request an extension of time from PG&E. Before doing so, I gave further
14 thought to the substance of the Objection. I noted that it began as a State Court lawsuit raising matters
15 of state law and that the substance of the Objection was entirely matters of state law. I concluded that it
16 was an appropriate case for the Court to abstain from resolving the Objection and to return the dispute to
17 State Court. My thinking on that issue, as subsequently developed, is presented in the Abstention
18 Motion, Dkt #11753.

19 4. I therefore contacted Jane Kim, PG&E's counsel, requesting an extension of time to
20 respond to the Objection, but principally requesting that PG&E agree that the Court should abstain from
21 the matter in favor of the State Court. Ms. Kim responded by agreeing to an extension of time,
22 ultimately to January 2022 “while we discuss your request with the client.” 11768-1, PACER p. 6.
23 While thanking her for the extension, I noted “Obviously, I would prefer to resolve abstention without
24 briefing it, but...” to which she responded “Understood. Will be in touch...” Id, P. 5.

25 5. Especially respecting procedural matters, it is my practice to request the consent of
26 opposing counsel before seeking relief from the Court. Expecting Ms. Kim wto respond to my request, I
27 did not think further about the matter for some time.

1 6. In early December, 2021, I noticed that I had received no response to my request and
2 followed up with counsel. She promptly responded on December 7, 2021 that PG&E rejected the
3 request to consent to abstention. Dkt #11768-1, Ex B. I, therefore, undertook to prepare a Motion
4 seeking that relief.

5 7. I was unable to complete the Abstention Motion prior to December 28, 2021 due to other
6 commitments. (In the interim, I had filed a Chapter 11 case; Case No. 21-41479; and was required to
7 prosecute first-day motions). I sought PG&E's consent to rescheduling such that the Abstention Motion
8 could be heard on the first available PG&E calendar date; February 4, 2022, with the substantive
9 Objection deferred until after the ruling on the Abstention Motion, but PG&E declined. I sought that
10 relief from the Court; Dkt #11768, but the Court, through a Docket Text Order dated December 31,
11 2021, declined.

12 8. The Docket Text Order required Spiro's substantive response to be filed by January 4,
13 2022, with the hearing remaining on January 18, 2022. Believing that Mr. Furstman could not prepare a
14 substantive response within the few days available, I asked PG&E if it would consent to a further
15 extension of time to respond.

16 9. PG&E indicated that it would consider an extension of a few days to file the response,
17 but that it was unwilling to defer the hearing date from January 18, 2022. Dkt #11806. I thought that
18 remained an inadequate amount of time to prepare a substantive response, but presented the matter to
19 Mr. Furstman. As reflected in his accompanying Declaration, Mr. Furstman required 75 days to prepare
20 a viable response.

21 10. In retrospect, it seems clear that the approach I took to this issue was in error. Certainly,
22 I should have followed up with PG&E's counsel earlier. Perhaps I should have prepared the Abstention
23 Motion earlier in the expectation that my request for consensual relief would be rejected. Perhaps I
24 should have told Mr. Furstman to prepare a substantive response in the expectation that my effort to
25 return the dispute to State Court would be unsuccessful. I submit that those errors were not, however,
26 reckless or wrongful, the result of "indifference or culpable conduct" or "willfulness or deviousness."
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11. Rather, these errors were principally the result of a lack of attention due to an over-active workload and, to a lesser extent, a desire to minimize the legal fees to be incurred by a client of modest means. I ask that the Court characterize my errors as the result of excusable neglect.

12. In proceeding to this juncture, I and Mr. Furstman and Spiro have proceeded in good faith. No one saw a value or benefit in delay, nor was there any other sort of ulterior motive at play: the only hope was that the dispute could be returned to the State Court at a minimum of expense.

13. I understand and assume that Spiro has a meritorious defense to the Objection and that his underlying claim has merit. Losing that claim by default will cause him very substantial prejudice. Conversely, PG&E will suffer no prejudice if required to litigate the Objection and the underlying claim on the merits.

I declare under penalty of perjury according to the laws of the United States of America that the foregoing is true and correct and that this Declaration was executed in San Francisco, California on January 26, 2022.

/s/ Michael St. James .
Michael St. James